श्री दिग्विजय सिंह (बिहार) : हां, तो आप बताइए हमको, नहीं तो हम जायें ।

THE VICE-CHAIRMAN (SHRI MD. SALIM): We are already 25 minutes late. Yes Mr. Sivaji.

श्रीमति कमला सिन्हा (बिहार) : इस पोइंट आफ आर्डर के ऊपर आपका डिसिजन होना चाहिए ।

THE VICE-CHAIRMAN (SHRI MD MD. SALIM): We will go by the revised list.

श्री दिग्विजय सिंह : माननीय सभापति महोदय, वाला क्लेरिफिकेशन कल होगा या आज होगा ? आप बता दीजिए, कब होगा ? हम रात भर बैठे रहेंगे । उनको भी क्यों रोके रखा है उनका भी समय हो रहा है . (व्यवधान)

THE VICE-CHAIRMAN (SHRI MD. SALIM): We will go by the revised list. Now we will take up Half-an-Hour Discussion and after that clarifications on the statement on Molasses. Clarifications on the statement on Chakma refugee will be taken up tomorrow.

PROF. SAURIN BHATTACHARYA: What baout the discussion on the working of the Ministry of Industry?

Half-an-Hour Discussion

On Points Arising out of Answer to Unstarred Question 39 given on 26th April, 1993 Regarding Unit Value Realisation of FCV Tobacco

DR. YELAMANCHILI SIVAJI (Andhra Pradesh): Sir, this Half-an-Hour Discussion arises out of Unstarred Queston 39 answered in this House on 26th April, 1993. I am sorry to say that the Minister is very casual in answering questions. These answersare half-truths and half-untruths. The Minister has said in his reply, "Unit value realisation by the growers in auctions in India in 1991 and 1922 was as under." He has mentioed some figures. Then he said, "Information for the other countries for this period is not available." It is a blatan untruth. There is apathy and it exhibts the apathy of the Ministry to collect figures and to collect information. Very recently the ED of the Tobacco Board gave me in writing the corresponding figures of the unit value realisation in vaious countries. As per the document the Indian farmer is getting FCV tobacco at 5.88 dollars per kilogram whereas his counterpart in the USA is getting at 3.68 dollars, in Germany 4.60 dollars and in Japan 13.38 dolars. The ED has mentioned several years' figures of various countries. And the Minister further added in the course of his reply that the steps taken to enhance the unit value reailsation by the growers include—this is a routine and casual reply streamlining of FCV tobacco marketing through auction system, regulation of production in line with demand, etc. This was far from the truth and it was a false statement both from the Tobacco Board as well as the Ministry. There was a Committee apppointed by the Union Government to go into the details of the long-term strategy of the production and demand of FCV tobacco. That Committee was appointed sometime duirng 1990 and it submitted a report. This report was accepted by the Government and it is binding on the Government This report says that the production of FCV tobacco in this country should not exceed 100 million kgs. per annum of which 80 million kgs. can be from Andhra Pradesh and 15 million kgs. from Karnataka. During the same year, the production in Andhra Pradesh was 89 million kgs. and thereby the recommendation of the Committee and the production were nearly the same. Therefore, the farmers could get a higher price

for their produce at the rate of Rs. 34.75 per kg. But the Board played into the hands of the traders and during 1991, they authorised another 5,000 new barons to produce more tobacco and the new barons were asked to produce 32 quintals each. Thereby, it amounted to 16 million kgs. Their productive capacity was enhanced from 25 quintals to 32 quintals. Thus, another 28 million kgs. were added and, altogether, 44 million kgs. were additionally produced during 1992, thanks to the performance of the Tobacco Board. The Chairman of the Tobacco Board happens to be the convenor of the long-term strategy report which is binding on the Government up to 2000 A.D. But there was no signature on the report. Even then they went on to enhance the production limit contrary tothe recommendatins of the report. So, the production during 1992 went up to 138 million kgs. and the farmers got a very low price. And the farmers were agitated on this issue. A team of the Tobacco Board went to Guntur and was there for 10 to 12 days. Around 3,000 farmers gathered there and they put forth their grievances before the team. And the Prime Minister convened a meeting of the growers, the representatives of the area and the officials on the 11th of May last year to resolve the problem Meanwhile, on 26th December, 1991, the then Minister of Commerce, Mr. Chidambaram, had visited Guntur and he addressed the farmers at Guntur He also said—he went on record—that the unit value realisation for this country was very low compared to other countries which were producing tobacco. He also assured certain measures to improve the lot of the farmers. He said that he would restore the trade with China for exporting our produce to that country. He also added that the farmers would get as much price as they got during 1991. But, contrary to that, the prices went down and the unit value realisation was Rs. 24 per kg. And what I am bringing to the notice of the House is that it is due to the handiwork of the Tobacco Board to play to the tune of the traders that the production limit was unnecessarily and unwarrantedly enhanced contrary to the report of the Government. And this year, we have been warned in the beginning itself that there are problems with Russia and that there is no market for our produce in that country. Let us try our level best to see to it that we reopen our market with China. It is a fact that sometimes in the early 1980s, some shady deals took place between the Indian exporters and the Chinese importers and two officials connected with that deal were hanged to death in China. But, I am sorry to state that the Ministry is harbouring those criminals. And, what came in the way of settling the claims and counterclaims with China? If those claims and counterclaims are settled, I am sure, we can reopen our market with China I am sorry to say that the Minister in his reply given yesterday mentioned that as per the information with the Tobacco Board, the Chinese importers made claims against the Indian exporters. Out of nine such cases during 1992, eight were settled. Why don't the Government settle that one case also?

Our Prime Minister was good enough to have a dialogue with his counterpart in Beijing where even the main issues, the major issues like the Nuclear Non-proliferation Treaty etc. were settled. Then, why cannot this small tobacco issue be settled with China? What is coming in the way of settling this issue? I am not here to plead for the hanging of anybody or to punish anybody. Why don't you settle this long-pending issue with the Chinese people in the interest of the growers, in the tinterest of the millions and millions of farmers in the country? It is pending for the

last ten years. What is coming in your way? The Minister should be clear and come out with the truth. At least, the nation knows the truth.

The second thing I want to bring to the notice of this House is that never in the past we exported top leaf, bottom leaf etc. But this year, suddenly and for reasons best known to the Government, it decided to make a change. All right, it is good. Seven million kilograms of top and bottom tobacco leaf is being exported to Russia. It is completed. Another 7-8 million kilograms of tobacco is ready to be packed. If this 15 million kilograms of tobacco goes to Russia, I am very much afraid that we are losing the Russian market also once for all by these shady deals. We have lost the Chinese market. We have lost the UK market. Germany has already disappeared and Japan is not there. So, the only market that is remaining is the Russian market. We are also losing this Russian market because of the apathetic attitude of the Ministry and by harbouring these criminals you are losing the Russian market also.

We met the Prime Minister. All the representatives from Andhra Pradesh, including the Speaker of the Andhra Pradesh Legislative Assembly met the Prime Minister on the 14th of last month. He convened a meeting. About 100 people were there from all the political parties, including the Congress-I and it was headed by the Speaker of the Andhra Pradesh Legislative Assembly. My learned colleague, Shri Vithalbhai Patel, was also there. We brought this to the notice of the Prime Minister and suggested to him to impose a one per cent levy on the sale of cigarettes. The Tobacco Board immediately convened an urgent meeting on the 15th of last month and it recommended to the Government that a one per cent levy might be imposed on the sale of cigarettes so that the proceeds could be utilised for market stabilisation because during the last 45 years, this is the only year where there is no increase in the excise component of cigarettes. Yet, the cigarette manufacturers, in their wisdom, have enhanced the rates of cigarettes during January-February, 1993 and, thus, cornered Rs. 300 crores. They are fortunate. Since there is no increase in the excise component, these Rs. 300 crores have been cornered by the cigarette industry without passing it on either to the Government or to the growers. So, we wanted the Government to impose a levy of one per cent and the resolution of the Tobacco Board which was passed on the 15th of last month, took ten days to be delivered by telex from Guntur to New Delhi. That is how this Government is functioning. Every day, I believe, there are at least dozens of telex messages up and down beween Udyog Bhavan at New Delhi and the Tobacco Board at Guntur. But to deliver this vital resolution, they took ten days.

It appeared in a section of the press, The Economic Times, that already, the Commerce Ministry has cleared the proposal and action has been initiated by the Finance Ministry in regard to imposing the one per cent levy on the sale of cigarettes. But when I enquired from the Finance Ministry, they said that they did not receive any information in this regard and both Udyog Bhavan and North Block are located at a stone's throw from each other. Then, what are the factors that are coming in the way? Is it also because your Minister is also Calcutta-based which is coming in the way of imposing this one per cent levy on cigarettes? Is it because the monopolistic manufacturing units in this country have their headquarters in Calcutta? Is that coming in the way? I would like to know this from the honourable Minister?

It has been mentioned in the Report of the Standing Committee on the Ministry of Commerce, headed by our colleague, Shri Gujral, that this levy

(Dr. Yelamanchila Shivaji)

is warranted. In that, certain suggestions have been made. It has been suggested that our export potential to countries like Morocco and Tunisia must be explored. Large quantities of tobacco were exported to China and there are claims and counter claims between the Chinese people and our exporters. These must be resolved to increase our trade with China. But nothing has been done by the Government in this regard so far. Meawhile, the Ministry convened a meeting of the traders on the 16th of last month in Udyog Bhavan and they were asked to enhance the prices. I computed the figures. Only on the 10th of May, in this House the Minister stated, in reply to one of my questions, that the unit value realisation as on 16th April was Rs. 24.83 per kg. After that meeting, instead of the prices going up, the prices went down and the average aprice realised between 17th of April and 30th of April was only Rs. 21.29. So, the farmers are losing at the rate of four rupees when compared to the beginning of the season and when compared to the 16th of last month, and they are losing about Rs. 10 when compared to the month before last ...(*Time bell rings*) ...In the meantime, the cost of production has gone up and that is also due to the policy of the Government. The Government enhanced the administered prices of coal, fertilizer, pesticides, diesel, electricity, etc. So, the Goverment went ahead with extracting from the farmers and enhanced the cost of production. At the same time, the Government wants to see that the farmers put in the best investment in the tobacco sector. So, this is how things are going. The Minister also hails from Andhra Pradesh and his area also is known for producing tobacco. It is a known act that the Government is getting about Rs. 1.25 to Rs. 4.25 per kg. in the form of Excise duty on tobacco. One kg. of tobacco yields about 1,250 cigarettes and on one kg. the farmers is getting Rs. 21|- whereas the total return or the finished product is something like three thousand rupees! This is how the Government is functioning and the Government is dancing to the tunes of the cigarette manufacturers and exporters, thus letting down the farmers and letting down the country ultimately. I do not know what will happen if the farmers start cultivating an alternative crop. Of course tobacco is a regulated crop. Unlike in the case of other crops, the tobacco grower has to go to the Tobacco Board necessarily to get his licence for growing it. Unless he has a licence to grow tobacco, he is not competent to grow. So, it is a regulated crop But you cannot regulate the crop and at the same time, expect the farmers to grow more and perish! But this is the dictum of the Government and also of the Board.

The most unfortunate thing is that it is not possible to meet the Chairman of the Tobacco Board at Guntur. His family resides at Hyderabad. Why not ask the Chairman to be available in Guntur at least during the auction season? I am also finding it difficult to meet him. It is difficult to meet him because he stays at Guntur for hardly two or three days. I have also computed the days on which he is present in Guntur and the days on which he is away from the headquarters. That is how the Government is functioning. And the Minister hails from the area, and he never visits the auction platform. At least, Mr. Chidambaram, though he is slim and he is from Tamil Nadu, was good enough to visit the tobacco farmers during December. Unfortunately, he lost his job, and that is a different story. And we have got all sympathies for him.

SHRI MENTAY PADMANABHAM (Andhra Pradesh): For losing the job or for what ?

THE VICE-CHAIRMAN (SHRI MD. SALIM): Mr. Sivaji, if we have to finish this within half an hour, you have to conclude now.

DR. YELAMANCHILI SIVAJI: And the Chief Minister also represented the matter.

SHRI VITHALBHAI M. PATEL (Gujarat): Mr. Vice-Chairman, Sir..

DR. YELAMANCHILI SIVAJI: Mr. Patel, you should also speak. You are a member of the Board. You know the ins and outs and the goings-on in the Tobacco Board. Sir, another member of the Board, Mr. J. Chokka Rao, who happened to be the Chairman of the Standing Advisory Committee on Agriculture, was mentioning one day that the Tobacco Board is so rotten that he resigned from that * Tobacco Board.

AN HON. MEMBER: Sir, * is unparliamentary.

SHRI YASHWANT SINHA (Bihar): It is unparliamentary.

DR. YELAMANCHILI SIVAJI: He resigned from the Board. That is a fact. A person like Mr. Chokka Rao who hails from the the farming community, who works for the welfare of the farmers is compelled to resign. And in spite of the Prime Minister's sympathy towards the tobacco growers, a small man like the Minister who hails from Calcutta, wants to put some spokes in it. (*Interruptions*) If he wants to put some spokes in it, not to go in, for one per cent levy, not to settle the claims with the Chinese, not to settle the problem with the Russians in regard to their purchases, and if they want to allow subsandard, low value based tobacco to be exported to Russia at the cost of the farmers, I am very much afraid, there will be trouble. Already the farmers have declared a 'Rasta Roko' on the 15th of this month. If it is not resolved before the 15th, I warn that they may go for "Rail Roko" also. And if it is done, I am very much afraid that the communication network between the South and the North will come to a stop. All the train traffic coming from South and down to South will have necessarily ot pass through Andhra Pradesh. Unless you resolve this, Mr. Minister, I warn you that no train will run between South and North, and no bus traffic or road traffic will operate between the North and South. And you take courage into your hands and see that the game played by the traders and the game played by the cigarette manufacturers is stopped in the interest of the country, in the interest of the well-being of the economy of the country since tobacco yields about Rs. 3,000 cores of revenue to the Union Government, and in the interest of the well-being of the farmers as a whole. Thank you, Sir.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Now the Minister to reply. (*Interruptions*) Let the Minister reply. Then you can put your question. That is the procedure. (*Interruptions*)

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): Mr. Vice-Chairman, Sir, I have a little bit of pain to react to all the accusations that have been made by hon. Sivaji. He has not spared anybody, starting from Tobacco Board, Tobacco Board members, Chairman of the Board, Minister and everybody.

DR. YELAMANCHILI SIVAJI: Except you.

SHRI KAMALUDDIN AHMED: I can understand his concern, I can understand his anxiety. But more anger no solution.. We are discussing this matter in order to find a solution, how best we can resolve this matter. And this matter has come up, according to Mr. Sivaji, as the farmers have grown far beyond the

*Expunged as ordered by the Chair.

[Shri Kamaluddin Ahmed]

quantity that had been prescribed. That is the crux of the problem. They were asked to produce a certain quantity. That is about 103 million KGs of tobacco. And they have produced 132 million KGs of tobacco. They had defied the instructions of the Tobacco Board. The Tobacco Baord had taken all care to publicise that this is the quantity fixed for this year and if you go beyond that, it is going to create problems. I am also happy to say that Dr. Sivaji was also associated with this publicity and he also pleaded with the farmers not to grow more. But the result of the farmers' anxiety to grow more or to earn more or whatever it is, is that today the quantity of tobacco which is lying there is more than what was prescribed.

Coming to the disposal of this tobacco, everybody knows—and this is common knowledge that the main buyer of this tobacco, about which hon. Dr. Sivaji also pointed out, has been Russia. We have been trying our best to see that these stocks are disposed of and sold to Russia. Last year, technical credit was provided. It was also decided that they will buy about 25,000 tonnes of tobacco and about 2500 million cigarettes. Out of the technical credi that was provi. ded last year, they did buy tobacco and about 15,000 tonnes were exported and a quantity of 10,000 tonnes was left over. Our Ministry, our officers have been persuading them to see that this tobacco which has been lying there from the last year's crop could be exported. I am happy to say that only during these last 2 or 3 days, they have exported about 6000 tonnes out of the quantity that was lying from last year. They have utilised the additional technical credit which was provided to them, and out of that, they have exported. Our eforts are to see that somehow these poor farmers who have produced these large quantities get some relief. It is no use just expressing our anger here. What I am pleading with you is that let us sit and try to find a way. The markets are shrinking all over the world. It is not only in Russia. All over the world, the markets are shrinking. You are talking of China. Let us see how much China has been buying. The only year when China bought the maximum was 1981-82. After that, gradually they are buying a reduced quantity.

DR. YELAMANCHILI SIVAJI: Why did they go back?

SHRI KAMALUDDIN AHMED: It is the buyer. . .

SHRI VITHALBHAI M. PATEL (Gujarat): I will explain to the Minister. The traders supplied inferior quality.

SHRI KAMALUDDIN AHMED: That is everybody's knowledge.

DR. YELAMANCHILI SIVAJI: Why not settle claims and counter-claims? You take the plea that China is not importing. What is this? We are pleading with you to settle the claims and you are not prepared to do that. Tobacco Board gives you wrong briefing on. What is this.

SHRI KAMALUDDIN AHMED: It is very easy to say.

DR. YELAMANCHILI SIVAJI: It is contrary to the report on the long-term strategy that Tobacco Board allowed five thousand barons to be created. They issued licences which resulted in the creation of thousands of barons. Each baron needs an investment of about Rs. 70 to 80 thousand. Once a baron is allowed to be created, he has to produce tobacco. It is a capital investment. He produces more to the advantage of the trader and that is the game they are playing.

SHRI KAMALUDDIN AHMED: Will you please allow me to speak? I will reply to all that you have said. Particularly this year, another phenomenon has come. Crops of tobacco all over the world have overgrown. The quantity that has been produced all over the world is much more and there is a glut in the world market. Take the case of Zimbabwe or Brazil or any other country who are the traditional tobacco-growing countries. They have grown more. The prices all over the world came down.

Coming to the price of tobacco in Andhra Pradesh, I would say that you should not just pick up one year and just because the farmers got Rs. 93 per kg. in that particular year: you should not say that it is the case every year.

Now, the minimum support price has been fixed by the Agriculture Ministry. Apart from the minimum support price, there is also another price which has been mutually agreed to between the representatives of the farmers, the Tobacco Board and the purchasers, the cigarette companies and all that. They have also fixed a price. It is called the minimum guaranteed price. If you look at the prices which are prevailing now the prices of yesterday, day-before yesterday I have got the figures up to 10th of this month.

DR. YELAMANCHILI SIVAJI: I have also got the figures.

SHRI KAMALUDDIN AHMED: I can assure you that the prices have not gone below the minimum support price. Whatever support price has been fixed, the prices have been much above that. These prices have even been almost on par with the minimum guaranteed price. This is the position.

Now, the whole thing lies in one problem. It is, how fast and how quickly we can resolve the problem of export of tobacco to Russia. I am trying. The Ministry is trying. All other agencies are trying. If the growers are not bringing their stock to the auction for fear that the prices are not going up, our effort should be to see that the prices somehow go up. This is the factual position. We are trying to persuade. But we cannot force Russia to buy only tobacco. Of course, we have provided them technical credit, but they have other requirements also. There are other needs also. So many requirements are there. It is for them to spend the technical credit on the different commodities. So far as the commodity is concerned, from our Ministry, we are trying our level best.

I would like to point out that Dr. Sivaji has been very very uncharitable and very very unkind to the Commerce Minister. I can assure you that the Commerce Minister has been trying his best to see that the problem is resolved. You are unnecessarily accusing him. I can assure you that he has got all sympathy for the farmers. He is very much concerned about it and he is trying to resolve this problem.

DR. YELAMANCHILI SIVAJI: With what effect?

SHRI KAMALUDDIN AHMED: Kindly do not attribute any.

SHRI MOTURU HANUMANTHA RAO (Andhra Pradesh): Mr. Minister, will you yield for a minute?

THE VICE-CHAIRMAN (SHRI MD. SALIM): After his reply, you will have the opportunity to ask questions.

Before the hon. Minister continues with his reply with your permission, I would request Shri Sarada Mohanty to take over from me.

[The Vice-Charman Shri Sarada Mohanty in the Chair].

SHRI KAMALUDDIN AHMED: This is the factual position. In regard

(Shri Kamaluddin Ahmed)

to the prices which have been fixed, i.e., the minimum support price the minimum guranteed price and the price at which tobacco is being sold at the auction platform, would like to assure hon. Members that our effort is to see that....

DR. YELAMANCHILI SIVAJI: Who fixes the minimum guranteed price?

SHRI KAMALUDDIN AHMED: It is negotiated. It is done in consultation with....

DR. YELAMANCHILI SIVAJI: It is negotiated between the trader and the Tobacco Board.

SHRI KAMALUDDIN AHMED: The Tobacco Board is there The purchasers are there. The representatives of the farmers are also there.

DR. YELAMANCHILI SIVAJI: No.

SHRI VITHALBHAI M. PATEL: Farmers are ther.

DR. YELAMANCHILI SIVAJI: This year particularly, when the minimum guaranteed price was negosiated, the farmers were not invited. It was negotiated between the trade and the Tobacco Board.

SHRI KAMALUDDIN AHMED: Dr. Sivaji is very very angry I do not know why. I can assure him that the Ministry is making every effort to see that.

SHRI VITHALBHAI M. PATEL: Dr. Sivaji, do not make it a political issue. Otherwise, we cannot protect the interests of the farmers.....

SHRI KAMALUDDIN AHMED: I was trying to avoid that aspect. I would plead with him. All of us have sympathy for the farmers. Let us try to resolve this matter Let us pull them out of this of this problem.

SHRI YASHWANT SINHA: The point is how are you going to do that.

SHRI KAMALUDDIN AHMED: If it is t obe played up and said that this is the problem, it becomes difficult.

8.55 p.m

SHRI YASHWANT SINHA: I do not know much about the subject, but I would suggest that if you give him your action plan, I am sure, he will be satisfied.

DR. YELAMANCHILI SIVAJI: I have given certain solutions also.

SHRI KAMALUDDIN AHMED: They are there. but the very purpose of the Tobacco Board is to see that the whole trade of tobacco is regulated and the farmers are not exploited by any unscrupulous traders. That is the very object of the Tobacco Board I can assure the hon. Member that the Tobacco Board is trying its best. If you try to find fault with everybody and every institution, it becomes very difficult. I can only plead with you that it will not be of any service to the farmers.

Coming to the problem of inferior type of tobacco, upper leaf or lower leaf, no doubt some of the traders have gone to Russia, there they have found some buyers and have exported some inferior tobacco, but it is for the buyer to select what he is going to buy (Interruptions). They have contracted some quantities in Russia also We are making efforts. Recently a delegation had gone there, the Tobacco Board Chairman had gone and some of the traders had also gone there. They were trying to locate the buyers. They were trying to some how resume the tobacco trade there. These are the efforts that are being made. Unnecessarily if you just express your anger and try to make some political capital out of it, I am sorry, that is not going to help the farmers.

I can assure you, kindly come and at and if there is anything in your recokoning which can help the farmers, I am prepared to listen and do whatever is possible.

SHRI MENTAY PADMANABHAM: May I seek some clarifications?

THE VICE-CHAIRMAN (SHRI SARADA MOHANTY): I have three names. After they have spoken, you can speak. Yes, Mr. Patel. Only jointed questions, not apeech... .. .. ..

SHRI VITHALBHAI M. PATEL: I am not habituated to make a speech.

I want to make two suggestions. Firstly, the Tobacco Board has a Production Committee and a Price Committee. There are farmers, traders and exporters on these Committees. They sit together and decide how much quantity is going to be produced next year. They also fix the minimum price, support price everything So do not say that the farmers are not there. Farmers are there.

Now in the present case, forget about the longterm measures. Today what the Minister can do is, he can provide some amount to the Tobacco Board to purchase tobacco. If the Tobacco Board comes into market, the prices of tobacco are likely to go up and then the traders will also come to purchase tobacco. You are getting more than Rs. 3000 crores as excise duty on tobacco. Why don't you give one hundred or one hundred fifty crores of rupees to the Tobacco Board out of this to purchase tobacco from the farmers? You don't have to discuss with anybody. Only discuss this with the Finance Minister and provide an amount of Rs. 150 crores to the Tobacco Board. The problem will be eased.

Coming to the problem of Russia, the problem is no with Russia but the problem is with us. Russia is prepared to purchase but here our Government is putting some condition that if they purchase tobacco, in bargain we want something. Russia is reluctant. (Interruptions). You have to pay something to Russia. Here they are the cremtorr and we are the debtors. If they want to purchase from that credit, allow them. After all, your tobacco is lying and if it remains for few month more it with be a waste. So, it is better if you allow Russia to take away tbacco and debit the money in their account. That way also you can solve the problem.

So, these are the two points. Give some amount to the Tobacco Board to purchase tobacco from farmers and secondly allow Russia to purchase whatever tobacco they want to purchase from that credit and through whatever Protocol is signed between Yelstin and the Prime Minister, you can do it.

SHRI SOM PAL (Uttar Pradesh): Mr. Vice-Chairman, just one minute I will take.

THE VICE-CHAIRMAN (SHRI SARADA MOHANTY): Let me finish. the statement.

SHRI SOM PAL: Only one minute. I will not take more than a minute.

This problem, I think, has been compounded—this has been spelt but by Dr. Sivaji as well as the hon. Minister—because of thdee things, the over-production in India, the over-production in the globe and the demise of Russia. These are the three main reasons, and it is a real problem.

SHRI MENTAY PADMANABHAM: Not Russia but the Soviet Union.

SHRI SOM PAL: The erstwhile USSR, I will say.

I would plead with the Minister and all the parties concerned, including Dr. Sivaji, that we should not give

[Shri Som Pal]

political angles to this problem. It belongs to everyone of us. It concerns everyone and we are all worked up over it. would propose that the Minister should constitute a small committee of Members to find out some ways, for making short.term measures to salvage the farmers and, secondly, to find out long-term means to make our presence more durable and stable in the intenational market because all the countries which have been reorganised from the erstwhile USSR, are prospective buyers, and we can explore this. We can also explore the possibility of decanalising the tobacco trade on the lines that you are thinking of in the case of rice, cotton and other things so that it gets developed along healthy commercial lines instead of being handled by one Tobacco Board alone.

This is my submission. Thank you. ..(*Interruptions*)

]**The Vice-Chairman** (Shri Md. SaliT) in the Chair]

SHRI KAMALUDDIN AHMED: This is not canalised. (*Interrupptions*)

THE VICE-CHAIRMAN (SHRI MD. SALIM): This should not be there. This Half-an-Hour is going to be one hour. There are three, four Members. They will ask short questions, and the Minister will reply once for all.

Mr. Gautam. Only one pointed question.

श्री संघ प्रिय गौतम (उत्तर प्रदेश) : उपसभाध्यक्ष जी, यह तम्बाकू का जो प्रश्न है, वह किसानों के हित को लेकर है । जब तम्बाकू का निर्यात नहीं हो रहा हैं और इस के खरीददार विदेशों में नहीं हैं और देश को विदेशी मुद्रा नहीं आ रही है तो मैं मंत्री जी से और जो तम्बाकू के उत्पादन किसानों के हितषी हैं, उनसे यह पूछना चाहता हूं कि क्या किसानों के हित सुरक्षित रखने के लिए तम्बाकू के स्थान पर कोई और वस्तु पैदा की जा सकती है जिससे कि निर्यात भी बढे और देश की पैदावार भी बढे और दूसरे तम्बाकू का उपयोग और उपभोग हर प्रकार से मानवता के लिए हानिकारक है, इसलिए मानवता को इस हानि से बचाया जा सके तो ऐसा कोई विकल्प सोचा गया हैं ?

THE VICE.CHAIRMAN (SHRI MD. SALIM): Mr. Hanumantha Rao Only questions, please.

SHRI MOTURU HANUMANTHA RAO (Andhra Pradesh)- Sir, the hon. Minister in his reply to this question on tobacco, has said that they have a lot of sympathy for the tobacco growers. But, when concretely no step is taken, it amounts to crocodile tears. I am sorry to say that. I do not perronally attribute anything to him.

The point is that there are so many aspects of this tobacco. An hon. friend has suggested that Rs. 150 crores should be given to the Tobacco, Board. It is very good, but can we extract Rs. 150 crores now from the Finance Ministry? It is impossible, say. It is not possible. They are not doing it. They are not showing tahat much of consideration for the tobacco growers. It is not only the case of tobacco, but other commercial crops are also there. Cotton and so many other things are also there. On every occasion we are mentioning how the people are suffering there, and there is no response from the ruling party. A lot of sympathy might be there. It can be expressed. We do not have any objection to that. But some concrete steps should follow. Without doing that, how do you solve the problem?

My point is that rural India is suffering a lot because the prices of all the crops are going down. That

is the fate of rural India. How you save rural India is the question. Without attempting to solve their problems, you are shedding crocodile tears just by changing the policies, which are of no use to them. So, I would like to know if the Minister would take steps to see that some serious efforts are made to give remunerative prices for their commercial crops.

SHRI MENTAY PADMANABHAM: Whatever has been said by Dr. Sivaji, has been said in great anuish, because everybody in Andhra Pradesh right now is concerned with the plight of the Tobacco growers. The cost of cultivation is going up while realisation is not communsurate with the escalation in the cost of cultivation. That is the real problem. Sir, this is a crop which sees ups and downs. Sometimes they get good price and sometimes there is nobody to buy it at all. That is the reason why the Tobacco Board and Dr. Sivaji and others have suggested that we should build up 'Price Stabilisation Fund'. It should be something like a corpus, which can be utilised for the purpose of buying tobacco when the minimum price is not being given. Therfore, I would like to know from the Minister about the state of this Price Stabilisation Fund. The suggestion is that they should impose a one per cent cess on the cigarette manufacturers. If you go a little further, you can impose the one per cent cess on the exporters also so that you can build up a substantial fund to be utilised for the purpose of market intervention in times of difficulties. That is one issue on which the hon Minister did not react.

Most of the Members just now pointed out that the erstwhile Soviet Russia is our main buyer of tobacco. I understand some action has already been initiated by the Commerce Ministry. We owe a lot of money to the Russians. A protocol has already been completed and some agreement has been reached. The Russians wanted to buy some products from India provided the Government of India agrees to pay the dues that we owe to the Russians. I understand the Commerce Ministry has already suggested to the Finance Ministry that the Russians should be paid about Rs. 100 crores or Rs. 150 crores this year towards realisation of the debt that we already owe. What is the state of that particular suggestion? I would like to know whether the hon. Minister can give an assurance in this House that he will implement these suggestions. That way the immediate problem of the tobacco growers will be solved. I would like the Minister to react on these two major isrues.

SHRI KAMALUDDIN AHMED: Sir, Mr. Ptel's query is there. There is one problem. There is a minimum support price fixed for tobacco. The question of the Tobacco Board entering into the market and buying tobacco will come only if the prices go below the support price. But even apart from that, we are making efforts to see somehow the position is relaxed there. We have been talking to the cigarette manufacturers to start buying and they have shown their readiness My information is that they have started buying tobacco there. We have also requested the STC to see if they also can buy something. Just to relieve the present situation the STC has also in turn said if they are allowed to do some trading on consignment basis with Russia, they will be willing to do that. So, these are the things which we are siezed of and we are looking into that. As the hon. Member Shri Gautamji said tobacco growers should try to switch over to other crops equally good and remunerative crops. It is a very good suggestion. I would very much welcome it. There is a scope for switching over oilseeds, switching over to

[Shri Kamaluddin Ahmed]

pulses, switching over to some other crop and hereby they will be able to solve this problem on a permanent basis.

Now why has this particular problem arisen? This tobacco can be sold only in Russia and nowhere else. That is the problem. The tobacco which is exported to other European markets is going in its own way. Even that tobacco is facing some problem like DDT, this and that. All sorts of problems are there. Thir particular tobacco can only be sold in Russia and they are willing to buy it.

The hon. Member, Shri Mentay Padmanabham had asked about the technical credit. It was a very lengthy question and a lengthy reply has to be given. What I can say is that according to the agreement between Russia and India, arrangements have been made for providing technical credit. Now out of the technical credit, they are buying their requiremen in which tobacco is also an important commodity. As I said just now, last year they purchased 15,000 tonnes of tobacco. This year out of the technical credit which has been provided recently out of the residue of the last year's technical credit, they have purchased tobacco to the extent of $ 14.6 million recently. So that part is taken care of. That way this problem has been resolved.

SHRI MENTAY PADMANABHAM: What we are saying is that last year's technical credit and protocol is over. We are taking about this year's crop. The Ministry of Commerce has already requested the Ministry of Finance to provide about Rs. 100 or Rs. 150 crores for this year's crop so that Russia can buy tobacco and other commodities from India.

SHRI VITHALBHAI M. PATEL: Mr. Vice-Chairman,....

THE VICE-CHAIRMAN (SHRI MD. SALIM): Do you want to clarify?

SHRI VITHALBHAI M. PATEL: I will tell you, what Russia is buying from us is from the last years credit and not from this year's credit. They are uring that credit. This year nothing has been done.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Mr. Padmanabham wants to know whether for this year's crop also you will do something or not.

SHRI KAMALUDDIN AHMED: What I said was, out of the last year's technical credit, there was a saving of $ 85 millon. Now out of that they have purchased 6000 million kgs of tobacco from the last years crop. Now there is a technicial credit which was left, which was unspent last year and that has been carried over to this year. Now it is a matter between the Government of Russia and our Ministry of Finance. They are looking into that. How can I say offhand how much technical credit will be provided? What I can say is that tobacco is a commodity which is being purchased out of the technical credit. That is what I want to say. (*Interruptions*)

I. do not think that the question of stablisation fund can be answered offhand very easily. What I can say is that cigarette manufacturers have agreed to buy the tobacco. . . (*Interruptions*) . .

THE VICE-CHAIRMAN (SHRI MD. SALIM): You can't keep on asking questions. It is half-an-hour discussion. We have already taken an hour.

SHRI KAMALUDDIN AHMED: So far as market innovation is concerned, as I said earlier, this question

will come only if the prices are below the support price.

SHRI VITHALBHAI M. PATEL: The Cotton Corporation of India offering support price.

DR. YELAMANCHILI SIVAJI: The Minister's answer to the half-an hour discussion is as vague as his reply to Q. No. 29 on the 26th of last month. So there is no point in our stying here. Therefore, we stage a walk.out.

[At this stage some hon. Members left the Chamber.]

SHRI PASUMPON THA. KIRUTTINAN (Tamil Nadu): We, the DMK Members, also walk out. . . . . .

[At this stage some hon. Members left the Chamber.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Mr. Minister, have you completed?

SHRI KAMALUDDIN AHMED: Yes, it is over. I was only to make an appeal to hon. Member, Mr. Sivaji not to give threats and not to unnecessarily create problems. *(Interruption)*

SHRI SANGH PRIYA GAUTAM (Uttar Pradesh): Sir, personally I am against tobacco but for farmers' interest *(Interruptions)*. I also walk out.

(At this stage, the hon. Member left the Chamber)

THE VICE-CHAIRMAN (SHRI MD. SALIM): Now, we will take up clarifications on the statement made by the Minister of State in the Ministry of Chemicals & Fertilizers regarding de-control of molasres and alcohol

CLARIFICATONS ON THE STATEMENT BY MINISTER

Decision of the Government to rescind the Molasses Control Order, 1991 and Ethyl Alcohol (Price Control) Order, 1971.

THE VICE-CHAIRMAN (SHRI MD SALIM): Shri G G. Swell. Not there. Shri V. Narayansamy Not there Smt: Satya Bahin not there. Shri Moolchand Meena. Absent. Shri Mentay Padmanabham. Absent. Shri Y. Sivaji. Not there. *Shri Chaturanan Mishra. Not present.* Shri S. P. Gautam.

श्री संघ प्रिय गौतम (उत्तर प्रदेश): मंत्री जी, यह शीरे पर प्रतिबंध का कानून था, वह तो खत्म कर दिया और उस पर अब आपका नियंत्रण नही रहेगा। लेकिन जब आप शीरे की खरीद-फरोख्त बगैर किसी नियंत्रण के होने देंगे और शीरे के आवागमन पर कोई नियंत्रण नहीं होगा, कोई रोक नहीं होगी और दूसरी तरफ आप यह कहते है कि शराब या नशीली चीजों के निर्माण में शीरे का उपयोग नही होने देंगे, यह हमारी नीति जारी रहेगी ? तो आप कैसे पहचान करेंगे कि यह शीरा किस मतलब के लिए जा रहा है और आप उसका कैसे पता लगायेंगे कि शराब या कोई नशीली चीज इससे नही बन रही है ? इसके लिए क्या आप कोई योजना बना रहे है ? क्योंकि, मेरी जानकारी में यह है कि शीरे से सबसे ज्यादा सस्ती और नशीली शराब बनती है और अगर आवागमन का यह नियंत्रण हट गया और कोई उसकी जांच-पडताल नहीं हुई तो शीरे से बहुत ज्यादा शराब बनेगी और पी जाएंगी, उतने ज्यादा लोगों के फेफडे गलेंगे, उनकी उम्र कम होगी, उतने ही ज्यादा लोग मरेंगे, पैसे की बरबादी होगी, झगडा फसाद करेंगे, शांति भंग होगी। इसलिए उस शराब को रोकने के लिए आप क्या कदम उठा रहे हैं, इस कानून को खत्म करने के बाद ?

THE VICE-CHAIRMAN (SHRI MD. SALIM): Shri Yarhwant Sinba.

SHRI MENTAY PADMANABHAM (Andhra Pradesh): What happened to our names?

SHRI YASHWANT SINHA (Bihar): *You did not come back quickly* enough.

The statement which was made by the hon. Minister for Chemicals and Fertilizers on the 4th of May is a